

Commercial Practices Success Story

GE Engine Overhaul and Repair

DAC: Maj Gen Childress

Contractor: GE Aircraft Engines

Contractor PM: Paul Hardin, SA-ALC/LPKBD

Program Description

Logistics support of aircraft by providing engine repair and overhaul. This effort is for the repair and overhaul of General Electric Aircraft Engines (GEAE).

How Streamlining Made a Difference

SA-ALC determined the repair and overhaul of the GE TF39 fan frame, turbine mid-frames and compressor rear frames; RF39 high pressure turbines and TF39 compressor forward blank cases, LPT stator assemblies and compressor rear cases is a commercial service. This determination enabled the award of three indefinite quantity fixed price mostly commercial contracts that were only 16 pages each. There were a number of commercial features included in these contracts which streamlined the ordering process and shortened the overall repair/overhaul time. In the payment area, Government representatives and GE were able to agree for GE to submit commercial invoices rather than the standard Government invoicing procedures. The procedures for inspection and acceptance on these contracts follow GE's customary commercial practices. The GE commercial practice is for GE to submit a certificate of conformance as part of their delivery. Inspections are fulfilled by the standard FAA inspectors' review. Both of these practices also streamline and shorten the overall repair process.

The Government accepts packaging and marking standards that are consistent with GE commercial procedures. This lowers the cost as GE is not required to follow the detailed requirements of Government packaging. By using catalog, commercial prices which include GE's usual factory testing, inspection and packaging, the Government saves time and costs of negotiating prices and obtaining certified cost and pricing data. In the few cases where military specifications are still included in the contract, the contract states "Where government required Task Orders or military standards are required or indicated in this Appendix, it is understood that the contractor is authorized to utilize the commercial equivalent ...shop manual procedures to substitute for [engine] technical data...". This language permits the contractor to use best practice, rather than following military standards that may be outdated or excessive. This leads to streamlining and cost savings.

Finally, GE is providing turn times much shorter than stated in its commercial catalog. For example, the one engine used to have an 55-85 day turn time, the commercial ordering begins with 90 day turn times for the initial requirements, but reduces that time to 30 days for future requirements in groups of 6.

Bottom Line: These commercial contracts have resulted in streamlined ordering of repairs (doing it **better**), shorter turn around time for repairs and overhauls (doing it **faster**), and elimination of non-value added military requirements which reduces overall cost of each repair (doing it **cheaper**).

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